

25.201 Policy.

(a) Except as provided in [25.202](#), use only *domestic construction materials* in construction contracts performed in the United States.

(b) The Buy American statute restricts the purchase of *construction materials* that are not *domestic construction materials*. For manufactured *construction materials*, the Buy American statute and E.O. 13881 use a two-part test to define *domestic construction materials*.

(1) The article must be manufactured in the United States; and

(2)

(i) Except for construction material that consists wholly or predominantly of iron or steel or a combination of both, the cost of domestic *components* must exceed 55 percent of the cost of all the *components*. In accordance with 41 U.S.C. 1907, this domestic content test of the Buy American statute has been waived for *acquisitions* of COTS items (see 12.505(a)).

(ii) For construction material that consists wholly or predominantly of iron or steel or a combination of both, the cost of foreign iron and steel must constitute less than 5 percent of the cost of all the *components* used in such construction material (see the definition of "foreign iron and steel" at 25.003). The cost of foreign iron and steel includes but is not limited to the cost of foreign iron or steel mill products (such as bar, billet, slab, wire, plate, or sheet), castings, or forgings utilized in the manufacture of the construction material and a good faith estimate of the cost of all foreign iron or steel *components* excluding COTS *fasteners*. This domestic content test of the Buy American statute has not been waived for *acquisitions* of COTS items in this category, except for COTS *fasteners*.

Parent topic: [Subpart 25.2 - Buy American-Construction Materials](#)